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# Wisconsin Briefs

from the Legislative  
Reference Bureau

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## SETTING UNIVERSITY OF WISCONSIN TUITION

Rising university costs are a major concern both for today's students and for parents planning for the future. Wisconsin residents registering for fall 2002 classes at the University of Wisconsin will encounter tuition increases of 8%, the maximum set by 2001 Wisconsin Act 109, the budget reform act. State legislators and university officials face difficult decisions as they attempt to meet rising expenditures without creating tuition levels that bar qualified students.

This brief describes the formula used to establish tuition levels at the institutions comprising the University of Wisconsin System and summarizes the changes made by the 2001 Legislature. A summary of tuition waivers is provided as well as data on tuition increases, enrollment, faculty salaries, and instructional costs. A table indicating tuition at other Midwestern universities is also included.

### BACKGROUND

The Board of Regents of the University of Wisconsin System has the statutory authority (Section 36.27) to set tuition for its 26 institutions, including two doctoral campuses (Madison and Milwaukee); 11 comprehensive campuses, which grant baccalaureate and masters degrees; and 13 colleges, which are 2-year institutions that offer associate degree programs and are primarily designed as freshman-sophomore institutions offering liberal arts transfer credits.

Tuition levels are generally established through a nonstatutory formula that creates separate categories based on a student's state residency, academic level, and the institution or program attended. In determining the tuition level for a particular category, the Regents consider a variety of factors: 1) the amount of revenue a particular level of tuition will generate; 2) the percentage of instructional costs students are expected to cover; 3) the relative levels of tuition throughout the UW System; and 4) intercollegiate and interstate comparisons.

The law does limit the allowable annual increase in resident undergraduate tuition to an amount based on statutorily specified factors, such as projected salary and fringe benefit increases for faculty and staff; revenue loss caused by student enrollment changes; and changes in state appropriations. For example, the Legislative Fiscal Bureau projects that a 1% compensation increase for faculty and staff translates into a 0.7% overall tuition increase. Table 1 compares these factors over a 10-year period.

### CHANGES MADE BY THE 2001 LEGISLATURE

**Nonresident Student Tuition Increase.** As passed by the legislature, the 2001-03 budget would have required that the Regents increase nonresident undergraduate tuition by 2.5% in the 2001-2002 academic year and another 2.5% in the 2002-2003 academic year in addition to the regularly approved tuition increases. In signing the bill, Governor Scott McCallum used his veto power to increase the figure to 5% in each of the years.

**Report on Courses.** Beginning October 31, 2001, and annually thereafter, the Board of Regents is required to submit a report to the legislature's Joint Committee on Finance detailing the number and types of courses and their enrollments for cases in which the academic fees or tuition charged equals at least 100% of the UW System's cost of offering each course.

**Financial Assistance Condition.** The Board of Regents cannot provide any state financial assistance to any person during the period that the person is required to register with the U.S. Selective Service System and has not done so.

## **TUITION WAIVERS AND REMISSIONS**

State law provides various waivers and remissions of nonresident tuition, resident tuition, or both, most of which are designed to aid certain groups of students or foster desirable educational goals. About two-thirds of the UW System's nonresident students pay tuition equal to or less than the level of resident tuition, and about 63% of that number are part of the Minnesota-Wisconsin reciprocity program.

**Nonresident Tuition Remission for Certain Veterans.** Under 2001 Wisconsin Act 16, the UW System is required to remit nonresident tuition payments made for military veterans, their spouses, or their dependents, if the veteran filed Wisconsin state income taxes for at least 8 of the past 10 years of active military duty and received an honorable discharge within 4 years of the student registering at a UW System institution.

**Needy and Worthy Nonresident Students.** By law, remission of the nonresident portion of tuition is available to: 1) needy and worthy students as determined on the basis of merit but limited by a formula based on the number of nonresident students registered at a particular campus; 2) based on the same formula, additional needy and worthy nonresident students who deserve relief due to extraordinary circumstances; and 3) a number of worthy and needy foreign students or U.S. citizens who reside outside the United States – not to exceed 2% of a campus's full time equivalent enrollment.

**Graduate Tuition Remissions.** The Regents may remit all or part of the nonresident portion of tuition to graduate students who are fellows or are employed for a specified minimum of hours within the UW System as faculty, instructional academic staff, or assistants. Since the 1998 spring semester, most of the graduate students holding these appointments have also received remission of the resident portion of their tuition at the Madison and Milwaukee campuses.

**Nonresident Tuition Award Program (TAP).** The UW annually provides exemptions from nonresident tuition for up to 200 juniors and seniors at the UW-Parkside and up to 150 students at the UW-Superior if they are enrolled in programs identified by their respective institutions as having excess capacity. This program previously was scheduled to sunset after the 2000-2001 academic year, but the 2001 Legislature removed the sunset provision entirely.

**Athletic Scholarships.** The Regents may remit all or a portion of resident or nonresident tuition for students participating in National Collegiate Athletic Association programs on the Madison, Milwaukee, Green Bay, and Parkside campuses.

**Children and Spouses of Certain Protective Service Officers.** By law, a full remission of fees is granted to any resident student who is enrolled in a bachelor's degree program and is the spouse or child of a correctional officer, fire fighter, law enforcement officer, ambulance driver, or emergency medical services technician killed in the line of duty in Wisconsin. (The child must have been under the age of 21 or in utero at the time of the parent's death.)

**Academic Excellence Higher Education Scholarship.** This program provides 4-year tuition scholarships to selected Wisconsin high school seniors who have the highest grade point average at their respective schools, public or private, if they attend a college or university within the state. This scholarship is capped at \$2,500 per student, and the institution at which the student enrolls must provide 50% of the value of the scholarship. In the case of the UW System, the match can be made through tuition waiver.

**Minnesota-Wisconsin Higher Education Reciprocity Agreement.** The Minnesota-Wisconsin Higher Education Reciprocity Agreement provides that Minnesota and Wisconsin residents may attend higher education institutions in either state without having to pay nonresident tuition. The agreement, which is subject to approval by the legislature's Joint Committee on Finance, may be modified or terminated at any time upon mutual agreement of both states.

**Waiver for Auditing by Wisconsin Residents Age 60 and Older.** 1999 Wisconsin Act 154 provided for a tuition waiver for Wisconsin residents age 60 and older auditing courses in which space is available, with the consent of the instructor.

## STATISTICAL COMPARISONS

**Table 1: UW Tuition Increases and Related Salary and Enrollment Changes  
1992-93 through 2002-03 Academic Years**

Academic Year	Average Tuition Increase	Average Faculty Salary Increase	Actual Enrollment Compared to Budgeted Enrollment
1992-93	3.4 - 11.3%	5.2 - 9.1%	-1.0%
1993-94	6.1 - 11.9	2.4 - 5.2	-0.6
1994-95	6.7 - 12.4	6.1 - 8.9	-0.8
1995-96	5.5 - 8.5	1.1 - 1.8	-1.6
1996-97	4.0 - 7.5	2.0 - 2.8	+0.1
1997-98	7.9 - 9.9	4.2 - 5.3	+0.6
1998-99	4.9 - 7.8	4.6 - 5.4	+1.9
1999-2000	6.9 - 12.7	0.7 - 11.7	+0.3
2000-01	0 - 9.1	2.4 - 8.4	+2.2
2001-02	7.0 - 8.4	NA	NA
2002-03	8.0	NA	NA

NA – Not available.

Source: Wisconsin Legislative Fiscal Bureau, *University of Wisconsin Tuition*, Informational Paper #38, January 2001, and Legislative Fiscal Bureau data.

**Table 2: 2000-01 Instructional Cost Per Student and Percent of Cost Paid by Tuition  
University of Wisconsin System**

	Per Student Cost and Percentage							
	Freshman/Soph.		Junior/Senior		Master's		Ph.D.	
Madison	\$6,618	49.7%	\$10,124	32.5%	\$18,157	29.7%	\$21,500	25.1%
Milwaukee	6,733	47.4	10,721	29.8	18,402	28.0	18,945	27.2
<b>Madison/Milw. Average</b>	6,663	48.8	10,313	31.5	18,246	29.1	21,227	26.1
Eau Claire	\$6,219	43.3%	\$8,598	31.3%	\$17,252	21.8%		
Green Bay	5,693	45.6	8,666	29.9	22,645	16.6		
La Crosse	5,417	47.9	8,650	30.0	12,560	29.9		
Oshkosh	5,238	49.5	9,105	28.5	13,305	28.2		
Parkside	7,014	37.0	11,087	23.4	13,081	28.7		
Platteville	6,534	39.7	10,464	24.8	18,562	20.2		
River Falls	6,597	39.3	8,841	29.3	9,589	39.2		
Stevens Point	6,221	41.7	8,927	29.1	16,686	22.5		
Stout	6,672	40.8	8,752	31.1	13,214	29.8		
Superior	7,510	34.5	10,711	24.2	13,573	27.7		
Whitewater	5,537	46.8	8,639	30.0	11,680	32.2		
<b>4-Year University Average</b>	6,048	43.2	9,056	28.9	13,565	27.7		
<b>2-Year College Average</b>	6,574	34.4						
<b>System Average</b>	\$6,297	44.0%	\$9,564	28.9%	\$14,776	32.0%	\$21,227	26.1%

Compiled by the Wisconsin Legislative Fiscal Bureau.

**Table 3: Annual Tuition at Midwestern Public Big 10 Universities, 2001-02  
(Including Segregated Fees)**

Resident Students			Nonresident Students		
	Undergraduate	Graduate		Undergraduate	Graduate
Michigan	\$7,308	\$11,524	Michigan	\$22,337	\$23,164
Michigan State	5,912	6,510	<b>UW-Madison</b>	<b>16,318</b>	<b>20,496</b>
Minnesota	5,717	6,728	Indiana	14,468	13,102
Illinois*	5,254	5,914	Minnesota	15,183	12,380
Indiana	4,734	4,818	Michigan State	14,214	12,510
Ohio State	4,788	6,333	Purdue	13,872	13,872
Purdue	4,164	4,164	Ohio State	13,554	16,404
<b>UW-Madison</b>	<b>4,086</b>	<b>6,358</b>	Illinois*	13,074	13,798
Iowa	3,522	4,108	Iowa	11,950	12,330
Average w/o WI	\$5,175	\$6,262	Average w/o WI	\$14,832	\$14,695

\*In 2001-02, a \$500 surcharge for new students was assessed; tuition for returning students is \$500 less.

Compiled by the Wisconsin Legislative Fiscal Bureau.